STATE OF SOUTH CAROLINA

BEFORE THE PUBLIC SERVICE COMMISSION

DOCKET NO. 2020-83-E

In the Matter of: Application of Duke Energy Carolinas, LLC for Approval of Rider 12	)	COMMENTS OF SOUTH CAROLINA COASTAL CONSERVATION LEAGUE, SOUTHERN ALLIANCE FOR CLEAN ENERGY, AND THE SOUTH CAROLINA STATE CONFERENCE OF THE NAACP

The South Carolina Coastal Conservation League, Southern Alliance for Clean Energy, and the South Carolina State Conference of the NAACP (collectively, Public Interest Intervenors) submit the following comments on Duke Energy Carolinas, LLC's ("DEC" or "the Company") application for approval of its demand-side management ("DSM") and energy efficiency ("EE") rider for 2021 ("Rider 12").

INTRODUCTION

Public Interest Intervenors continue to support DEC's DSM/EE programs and commend DEC for its role as a regional leader for energy efficiency in the Southeast. These comments aim to provide the Company and the South Carolina Public Service Commission ("Commission") with additional recommendations to build on DEC's programs and achieve deeper energy savings. We would also like to stress the particular importance of EE programs given the COVID-19 pandemic and its significant short and long-term economic implications. To this end, these comments will provide: 1) a high-level review of DEC's DSM/EE portfolio performance in 2019; 2) an overview of DEC's DSM/EE savings forecast for 2021, including suggestions to build on the growing progress made at the Duke Energy Collaborative ("Collaborative"); 3) recommendations to the Commission related to DEC's DSM/EE portfolio and 4) a set of recommendations and considerations for DEC's DSM/EE portfolio in light of the COVID-19 pandemic.

REVIEW OF DEC'S 2019 ENERGY SAVINGS PERFORMANCE

A. DEC's energy savings levels declined slightly in 2019, dropping below a 1% savings level.

In 2019, DEC delivered 794.9 gigawatt-hours ("GWh") of efficiency savings at the meter, corresponding to 0.98% of the prior-year retail sales.[1] This is a slight decline from 2017 and 2018, when DEC exceeded one-percent annual savings (as the Company agreed to in a settlement entered into in connection with the Duke Energy and Progress Energy merger ("Merger Settlement")).[2] DEC's 2019 savings level is a 2% decline in incremental savings from 2018, when DEC reported 811.2 GWh and annual savings of 1.05% of the previous year's retail sales. [3] There was a proportionately larger decline in savings as a percentage of retail sales, largely driven by a 5% increase in retail sales from 2017 to 2018. In 2019, the performance of DEC's overall portfolio of programs exceeded its savings projections by roughly 8%, and each of the Company's residential programs exceeded savings projections as well.[4]

B. The value of DEC's DSM/EE portfolio continues to significantly exceed its costs.

[1] Duke Energy Carolinas Response to SACE / CCL First Data Request, Item No 1-14 in Duke Energy Carolinas DSM/EE Rider 12, Docket No. 2020-83-E (Attached as Exhibit 1).
[2] The Merger Settlement with CCL and SACE, as well as Environmental Defense Fund, calls for annual energy savings of at least 1% of prior-year retail sales beginning in 2015 and cumulative savings of at least 7% over the period from 2014 through 2018, and was approved by the Commission in Docket No. 2011-158-E.
[3] DEC reports energy savings as "Net at Plant" or at the generator level.
[4] S.C. Pub. Serv. Comm., Docket No. 2018-72-E (DSM/EE Rider 10).

The value of DEC's DSM/EE portfolio continues to significantly exceed the costs and deliver strong financial value to customers. In 2019, DEC's DSM/EE portfolio had a 3.23 Utility Cost Test and the Total Resource Cost test was 2.99. While both of these net benefit ratios demonstrate a high return on investment, they are lower than in 2018, when UCT peaked at 4.01 and TRC was 3.80. Combined with lower total kWh saved, the total net present value ("NPV") of avoided cost in 2019 declined by 30%, though remains significant at $486,294,677.

C. DEC's residential portfolio continues to be driven by behavioral and lighting programs, which could compromise future savings growth.

Within DEC's residential portfolio, the largest savings came from My Home Energy Reports and large amounts of lighting measures in the Energy Efficient Appliances and Devices program. As we will discuss in more detail below, heavy reliance on these types of measures can compromise future savings opportunities, especially in light of changing federal lighting standards. Deeper and longer-lived measures are necessary to maintain a more balanced and robust program that can sustain higher savings levels over time.

D. DEC's Neighborhood Energy Saver Program has exceeded projections, but the Income Qualified Energy Efficiency and Weatherization Program has continued to underperform in South Carolina.

In 2019, total savings from DEC's Income Qualified Energy Efficiency and Weatherization Assistance Program ("IQWAP") and Neighborhood Energy Saver Program[5] ("NES") increased by 30% over the previous year, continuing a trend of steady annual growth. While the increase in total savings is driven primarily by strong

[5] While this program does not have income qualification eligibility requirements, the neighborhood selection process involves evaluation of US Census data to target communities with high levels of poverty.

performance in the NES program, DEC's progress with IQWAP was also highly significant – but impact was highly unequal between North and South Carolina.

In DEC's South Carolina territory, the NES program served over 3,000 homes, roughly 30% of the homes served across both states. However, the SC IQWAP program served only eight-six homes; of these, seventy homes received refrigerator replacements and sixteen homes received HVAC replacements.[6] No South Carolina households received Tier 1 or Tier 2 weatherization.[7] Compared with the NES program, for which per-home savings tend to be small, the IQWAP program offers weatherization and other measures that deliver substantial, long-lasting savings to the customers who need it most. We believe that this should be a high priority issue for DEC and the Commission in the upcoming year. South Carolinians experience high levels of poverty and correspondingly high customer energy burdens that will be even further exacerbated by the COVID-19 pandemic.[8]

It is worth noting that DEC has made considerable progress with its IQWAP program in North Carolina over the last year. The IQWAP program achieved more than double its projected savings, marking a 73% increase from the year before.[9] At least some of that growth came from a newly piloted approach in Durham, North Carolina:

> "Direct Weatherization Pilot: In 2018-2019, a Direct Weatherization pilot was executed in a high-density area within DEC shown to have a significant low-income customer base. Through the use of internal customer data, high-energy use accounts with low-income indicators were targeted through direct mail and invited to apply for weatherization and refrigerator replacement programs.

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[6] DEC's March 2020 Collaborative Presentation, Slides 12-15 (Attached as Exhibit 2). DEC noted some minor formatting issues in some of the materials included in the draft presentation, which its team will correct if it has not already done so.
[7] Id.
[8] US Census Bureau, American Community Survey 5-year Estimates (2013-2017); Allowable Ex Parte Briefing of Dr. John Ruoff regarding Impact of Proposed Rate Adjustments on Customers, South Carolina Public Service Commission Docket No. 2018-319-E (Feb. 20, 2019), https://dms.psc.sc.gov/Attachments/Matter/49d1e4e5-f20c-4819-973b-d6c441e7c562.
[9] NCUC Docket E-7 Sub 1230, Evans Exhibit 6, p. 5 (Evans' NCUC Exhibits are attached here as Exhibit 3).

> Through initial letters with follow-up postcards and a toll-free customer number, customers expressed their interests and follow-up appointments were set. Determination as to whether the program is to continue is pending."[10]

While we believe DEC made increasing savings for low-income customers a priority in 2019, as evidenced by the program's marked improvement overall, DEC must make further strides at replicating the successes in North Carolina and improving program delivery in South Carolina.

We would also like to address a concern with how DEC reported savings from its South Carolina low-income programs. Rather than reporting actual savings achieved, DEC attributed 23% of its low-income savings to South Carolina because South Carolina represents 23% of its load. Given that, proportionately, far more IQWAP customers were served in North Carolina, this attribution likely significantly overstates savings from these programs in SC. We offer a variety of suggestions to DEC and the Commission for addressing these issues below.

E. Non-residential savings continued to decline in 2019.

In 2019, approximately 60% of DEC's non-residential load opted out of the energy efficiency rider.[11] The percentage of non-residential opt-out is considerably higher in South Carolina (71%) than it is in North Carolina (55%).[12] This was a further erosion from 2018, when opt-outs comprised 56% of total non-residential load. As noted in previous comments, this continued slide reflects a large lost opportunity for capturing additional energy savings from utility efficiency programs. The impact on overall savings

[10] Id. at 6.
[11] Duke Energy Carolinas Response to SACE / CCL First Data Request, Item No 1-16 (Attached as Exhibit 4).
[12] Id.

is significant; when adjusted to exclude non-residential opt-outs, DEC's 2019 savings as a percentage of sales was 1.56%, compared to 0.98% overall.[13]

ISSUES AND RECOMMENDATIONS FOR DEC'S 2021 SAVINGS FORECAST

A. DEC's Projected Energy Savings Levels for 2021

DEC forecasts 715.7 GWh of incremental savings for 2021, which is equivalent to 0.89% of its annual retail sales.[14] This projection represents a significant and unfortunate decline in overall savings of approximately 10% from DEC's 2019 savings (794.9 GWh)[15] and a 16% decline from 2017, when DEC achieved a high point of 854 GWh of savings representing 1.07% of its annual sales.[16] As noted above, DEC narrowly missed achieving 1% savings in 2019, but without changes to the company's current plan, it expects to fall further below this threshold in 2021.

While DEC does not directly address the difference between its 2021 forecast and the 1% annual savings threshold (an issue we address in our recommendations to the Commission below), DEC does attribute future declines generally to changes in the company's avoided cost (used to calculate cost effectiveness), updated participation estimates, and EM&V results.[17] DEC also notes the discontinuation of two non-residential programs, though they account for a small portion of efficiency portfolio

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[13] Exhibit 1 (DEC Response to SACE / CCL First DR, Item No 1-14).
[14] Id.
[15] Id.
[16] NCUC. Docket E-7, Sub 1164, Direct Testimony of Chris Neme on behalf of NC Justice Center, Southern Alliance for Clean Energy, and Natural Resources Defense Council at 7 (May 22, 2018), available at https://starw1.ncuc.net/NCUC/ViewFile.aspx?Id=f0aaa525-8d0d-4628-9696-abee11318da0.
[17] This information was gathered from DEC'S testimony filed in the parallel proceeding before the NCUC. NCUC, Docket E-7 Sub 1230, Direct Testimony of Robert P. Evans for Duke Energy Carolinas, LLC at 11, https://starw1.ncuc.net/NCUC/ViewFile.aspx?Id=2f812cd0-8ef9-4b80-8173-0bc6d2a77b6b.

savings (only 0.5% of the total).[18] In discussions at the Collaborative, Duke indicated that changes in expectations regarding future savings from lighting measures also factor heavily in projected reductions in DEC's future savings forecasts. This is particularly significant given DEC's acknowledgement that lighting measures have contributed greatly to Duke's overall portfolio savings in the past and are identified as having produced a substantial portion of the avoided cost savings Duke achieved in excess of their previous 2019 forecast in Rider 10.[19]

While delivering savings above 1% is not a current regulatory requirement, the South Carolina Commission and its counterpart in North Carolina have both shown interest in DEC reaching this mark, as have a broad array of clean energy and public interest advocacy groups, including the organizations represented by these comments and many others that actively participate in the Collaborative.[20] And a variety of other developments in South Carolina further support a higher energy efficiency savings goal. For example, following up on a recommendation from the 2018 State Energy Plan,[21] South Carolina has launched an Energy Efficiency Roadmap process in which a wide variety of state government, utility, industrial, and environmental stakeholders have been working to identify key opportunities for increasing energy efficiency savings in South Carolina, including through utility-offered programs.[22] And pursuant to the Energy Freedom Act, this year utilities will be required for the first time to model low, medium, and high cases of DSM/EE in their Integrated Resource Plans ("IRPs"), and to identify a

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[18] Id.
[19] Id. at 15.
[20] In 2019, the DEC Collaborative examined Portfolio Level Opportunities and Challenges and developed an accompanying report which emphasized the 1% savings goal. Energy Efficiency Collaborative Portfolio Level Opportunities and Challenges 2019 Summary Report, p. 4 (Attached as Exhibit 5).
[21] 2018 S.C. State Energy Plan (2018), http://www.energy.sc.gov/files/Energy%20Plan%2003.02.2018.pdf.
[22] S.C. State Energy Office, Energy Efficiency Roadmap, http://energy.sc.gov/node/3466.

least cost resource portfolio. It is critical that utility DSM/EE portfolios are given careful consideration, as energy efficiency savings are an important component of utility IRPs, rate cases, and grid modernization efforts.

As such, Public Interest Intervenors are disappointed that DEC is projecting savings that are less than it achieved in 2019 and substantially below the more than 1% annual savings the company achieved in 2017 and 2018. However, we have been encouraged by the discussions and continued progress being made on a variety of issues at the Collaborative, and below, recommend issues for DEC to prioritize in its 2021 portfolio and in its Collaborative meetings over the next year.

B. Recommendations to DEC for 2021 DSM/EE Portfolio Implementation

i. Continue to build on improvements at the DEC Collaborative

We would like to commend DEC for its continued willingness to engage with Collaborative participants on new program concepts and strategies for achieving increased energy savings, including its consideration of new technologies, delivery channels, financing mechanisms, as well the Company's efforts to reach underserved customer segments and address underutilization of particular measures. We believe that each of these has an important role to play in reaching higher levels of overall savings, and with the Company's continued efforts, that it could exceed 1% annual energy savings.

In 2019, the DEC Collaborative worked primarily on the following priority issues:[23]

- Increasing savings impact for low-income customers

[23] DEC staff also provided updates on program performance and Evaluation, Measurement, and Verification reports.

    - Understanding barriers and exploring potential solutions to increase deployment of the Company's Income-Qualified Weatherization Program (including attention to differences between North and South Carolina)
    - Partnerships with low-income weatherization providers
    - Expanded measures list for Neighborhood Energy Savers, including more comprehensive measures for higher energy users
- Examination of portfolio level opportunities and challenges for increasing overall efficiency savings
- Market potential study
- Understanding DEC's marketing strategy and execution
- Cost-effectiveness testing protocols and assumptions
- New delivery channels:
    - Affordable multifamily housing that participates in the Low-Income Housing tax credit program
    - Expanded midstream channel
- New program ideas:
    - Energy efficiency as a service
    - Savings attribution for codes and standards activities
    - ENERGY STAR Retail Products Platform

The Collaborative also worked to develop a summary report of Portfolio-Level Opportunities and Challenges.[24] That work ultimately evolved into many of the 2020 priorities and program development opportunities that the Collaborative is working on

[24] Exhibit 5 at 4.

now. We believe that a logical and constructive next step would be to focus some of this work on developing a strategic plan for DEC that could bridge the gap between its forecasted lower projected annual savings for 2021 and previous savings levels that exceeded 1%. Such a plan should include recommendations for program modifications and additions along with forecasts for anticipated savings impact and expected cost effectiveness levels. To facilitate completion of such a plan, we recommend that a completion date be set for January 31, 2021 and that the Collaborative develop a project schedule to ensure timely discussion, undertake analysis, develop recommendations, and present the final results. And, as discussed further below, we recommend that DEC report back to the Commission on the outcome of these planning efforts.

ii. Continue discussions on "energy efficiency as a service" and consider whether additional self-reporting from industrial opt-out customers may be warranted.

As noted earlier, non-residential savings continued to decline in 2019. Because commercial and industrial efficiency savings can be among the most economic, greater savings among these customers would likely translate into even higher utility-system cost reductions. We appreciate DEC's efforts to address industrial customer participation via ongoing discussions at the Collaborative on the topic of "energy efficiency as a service," which is an industry term used primarily to refer to programs with incentives that are tied to actual, metered energy savings rather than to deemed or engineered savings values. We strongly encourage that these discussions continue. We also encourage DEC to continue expanding midstream channels for commercial equipment, which can increase customer participation and strengthen market transformation towards higher efficiency models.

On the other hand, we believe more needs to be done to reverse the trend in recent years of commercial and industrial customers opting out of the DSM/EE rider. While commercial and industrial customers who opt-out must certify that they have implemented their own DSM or EE measures, there is no requirement to report any resulting savings to the Company or the Commission. Given the tremendous amount of savings losses resulting from opt-outs, careful attention should be paid to this issue to prevent excessive and unwarranted desertion from the DSM/EE system. We believe self-reporting requirements and a review of DEC policies around opt out provisions should be priority issues for the Collaborative that may warrant additional input from the Commission.

iii. *Prioritize deeper savings measures such as heating, cooling, and water heating.*

As noted above, DEC's residential portfolio continues to be dominated by lighting and behavioral programs which, while important, are insufficient to ensure a balanced and robust program that can sustain higher savings levels over time.[25] Consequently, we recommend that DEC focus on deeper and longer lived measures to maintain a more balanced and robust program going forward.[26] This is not a suggestion to forego savings currently being captured by DEC's current portfolio. Rather, DEC must place more focus on adding or modifying programs targeting the largest energy end uses – such as heating and cooling and water heating.

iv. *Further prioritize improving low-income program performance in South Carolina and mechanisms to replicate the successes of DEC's low-income programs in North Carolina. savings for low-income customers*

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[25] Supra note 16 at 27-36.
[26] Id.

Public Interest Intervenors continue to stress the importance of providing energy and bill savings for DEC's low-income customers. More efforts should be targeted at these customers, who have the highest energy burdens (the highest percentage of income spent on residential energy bills), and consequently, the most need for cost-saving energy-efficiency programs. We appreciate the increased strides made over the last year and continued engagement on this question at the Collaborative, including DEC's consideration of new delivery mechanisms in South Carolina.

However, the performance of DEC's income-qualified programs in South Carolina continues to be an area of serious concern, and we strongly suggest that DEC undertake immediate efforts to examine and improve its program performance in 2021. However, there are ways DEC could improve its low income programs now, such as by replicating its successful Durham, North Carolina pilot program in South Carolina.

C. Recommendations to the Commission

i. Require that DEC report to the Commission detailed rationale and analysis for any projected declines in portfolio energy savings and steps taken to reverse such declines.

DEC provides little explanation in its filing for why DEC forecasted decline for 2021, and there is no indication of the steps DEC is or could be taking to keep savings levels up. When DEC projects savings declines, as it does for 2021, we believe this warrants a clear explanation of the reasons, with corresponding analysis provided. This has not been done. Given the interest stakeholders and the Commission have shown for *increasing* savings going forward, we also believe that DEC should provide a substantive explanation for what steps the company is taking to reverse declines and achieve savings at that at least match those it has previously accomplished. As such, we recommend that the Commission require such explanation of the utility in annual DSM/EE filings moving forward.

ii. Require that DEC report back to the Commission with concrete plans regarding the priority items discussed at the Collaborative or other key outputs.

We believe that a more structured means of exchanging information between the Commission and the Collaborative would be of significant benefit to all parties. The Collaborative' s efforts have yielded data and information that could further support the Commission in its decision-making; conversely, we believe that the Commission should have a role in informing the issues the Collaborative addresses and how those discussions should feed back to the Commission.

As one example, last year the Company presented a prototype visual "dashboard" that compared projections to reported values for expenditures, savings, and participation, by program as well as at the portfolio level. The dashboard allowed one to quickly understand, for the most recent four years of program implementation, how the program achievements in those categories compared with the Company's projections at the outset of each program year. A sample from the Company's presentation, for the Multifamily Program, is provided below in Figure 1. The full presentation is attached as Exhibit 2.

DEC Multifamily

Multi-Family Energy Efficiency Program Budget, Savings & Number of Measures

	Expenditures			Energy Savings			Demand Savings			Participants		
Program Year	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%	Budget	Actual	%
2019	$3,382,816	$3,680,155	109%	19,846	24,086	121%	2.00	2.65	132%	342,660	493,307	144%
2018	$4,161,326	$3,604,921	87%	22,582	21,289	94%	2.20	2.30	105%	370,882	430,475	116%
2017	$2,422,689	$3,168,422	131%	12,688	19,056	150%	1.19	1.92	161%	186,948	356,003	190%
2016	$1,883,584	$2,518,988	134%	12,320	15,235	124%	1.02	1.57	154%	151,004	269,671	179%

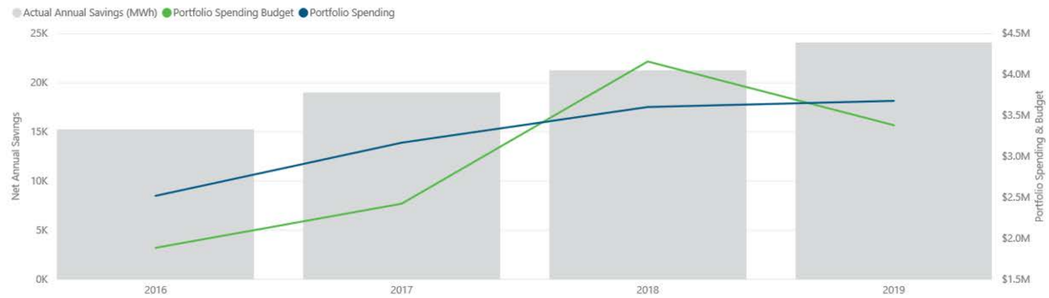

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Figure 1: DEC "Dashboard" for Multifamily Program

The dashboard shows program performance at a glance, and importantly also shows trends in budgets, actual costs, and savings. Prior to the development of this dashboard, drawing year-over-year comparisons would have required manually tracking down the data in four different reports and assembling it to provide a year-by-year comparison. The prototype dashboard is a vast improvement, and as Duke has asked members of the Collaborative for feedback on the prototype, it is expected that it will continue to be refined through these Collaborative discussions. This is one example of the type of information coming from the Collaborative that could prove highly beneficial for the Commission to review and analyze, and if made available in DEC's annual DSM/EE filings, could streamline the discovery process for all parties.

We further recommend that the Commission inform the work done by the Collaborative by directing that: 1) DEC prioritize certain issues, particularly industrial opt-outs and its SC low-income programs, at the Collaborative; and 2) develop and report its plans for addressing these issues in its 2021 DSM/EE filing. This type of structured exchange of information between the Commission and the Collaborative would help to facilitate an iterative process where the Collaborative could adapt its priorities over time based on those identified by the Commission, and vice versa.

iii. *Require that DEC increase energy savings for its income-qualified energy efficiency programs and report to the Commission its plan for continuing to do so in its 2021 DSM/EE rider filing.*

As stated earlier, we think DEC should further prioritize its income-qualified programs in South Carolina, particularly its IQWAP program. To that end, we recommend that the Commission require DEC to demonstrate higher energy savings in this program in its DSM/EE rider filing in 2021. We also recommend that the Commission require DEC to further prioritize this issue at the Collaborative and file with the Commission a plan for how it will increase energy savings associated with these programs in its 2021 portfolio. Finally, we recommend that the Commission require DEC to report actual savings in SC rather than attributing savings based on percentage of load.

ADDITIONAL RECOMMENDATIONS IN LIGHT OF COVID-19

The COVID-19 pandemic has profound near term implications for energy efficiency delivery that may extend for several years or more. These include both major programmatic disruption and a significant expansion of customer need. To protect energy efficiency worker and customer health and prevent potentially significant declines in overall efficiency portfolio savings, adaptations to energy efficiency policies and program operations will be needed. Since March, in-person contact between customers and efficiency providers has been curtailed across the country, leading to many programs being temporarily halted or altered to function in a remote manner. Even after lockdown conditions ease, ongoing adaptations may be needed in how programs are designed and implemented. As such, we offer the following set of near- and longer-term recommendations for DEC's DSM/EE programs in South Carolina.[27]

iv. Energy efficiency programs and their role in utility responses to the pandemic.

As the American Council for an Energy Efficient Economy ("ACEEE") recently observed, residential electric usage has increased due to people staying home, and usage is poised to rise even higher as summer heat leads us to turn on the air conditioning. While suspension of disconnections, bill payment assistance, and arrearage management plans are critically important, energy efficiency programs offer a proven solution for households struggling to pay their electricity bills.[28] As a result, we recommend that the Commission affirmatively express support for DEC and other South Carolina utilities to deploy targeted energy efficiency programs to help customers mitigate the impact of COVID-19, and to require that utilities submit an implementation ready plan by July 31 that includes modified program budgets, savings goals, and customer targeting strategies.

v. Near-term options for DEC to adjust its energy efficiency ("EE") programs to continue delivering critical bill relief to customers, while protecting the health and safety of customers, utility employees and contractors.

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[27] These recommendations are adapted from the comments filed by SELC on behalf of SACE, CCL, Upstate Forever, and the SC State Conference of the NAACP in Docket 2020-106-A (filed May 22, 2020).
[28] American Council for an Energy Efficient Economy, "A perfect storm? COVID-19 cuts incomes and hikes home energy bills" (May 15, 2020), https://www.aceee.org/blog-post/2020/05/perfect-storm-covid-19-cuts-incomes-and-hikes-home-energy-bills

For health and safety reasons, DEC has currently suspended certain efficiency programs that require in-home visits. Program adjustments and other creative solutions could allow DEC to continue delivering much-needed energy saving programs to South Carolina households while protecting the health and safety of utility staff, contractors, and customers.[29] The following is a list of program "pivots" that DEC could take in light of COVID-19:[30]

- Virtual Audits: While home energy audits are suspended, DEC could offer virtual audits that would allow an energy professional to "walk through" a home over the phone or via the internet to identify potential energy-saving measures.
- Self-Install Measures and Customer Support: Several program implementers have developed alternative means of delivering energy-saving measures to customers. Eversource Connecticut sends a package to all customers participating in their virtual pre-assessment home walkthrough that includes educational materials, LED bulbs, and advanced power strips that customers can install themselves. TVA has mailed customers its EnergyRight Energy Monsters kit, which provides energy-saving programming and activities for children and energy-saving tips for parents. Other program implementers are offering direct communication and support over the phone, where they provide information on saving energy and direct customers to additional resources.
- Alternatives to Neighborhood Events: One alternative to customer outreach via neighborhood events is a "touchless" door-to-door effort, in which utility

[29] We recognize that some of these topics are under discussion in utility stakeholder processes, and that program administrators are working hard to develop solutions.
[30] These examples are gathered from recommendations by ACEEE and other leading energy efficiency organizations.

contractors leave a package of energy-saving products and a door hanger with information about upcoming programs. After JEA halted its Low Income Neighborhood Energy Efficiency Program on March 15, the utility compiled a list of customers in eligible census tract neighborhoods and their electricity consumption for the past 14 months. JEA sorted the lists by consumption and developed different scripts to use for customer outreach and support. Each script includes a brief virtual energy audit and ends with information on JEA programs that will restart following COVID.

- Additional Safety Measures: Some implementers of low-income EE programs are preparing to restart, or have restarted, normal program operations with additional personal protective equipment and health and safety measures.[31] Any such approach would need to be considered in light of the most recent recommendations and data provided by public health officials, but would be consistent with Governor McMaster's request that utilities begin planning a return to normal business operations.
- Rolling Over Unused Funds: Finally, DEC should plan to roll over any unspent EE program funds to use once programming resumes. The Company should also seek innovative opportunities to advance their savings goals. This could include reaching out to owners of vacant or under-used commercial buildings to offer efficiency analysis and upgrades.

[31] The National Association for State Community Service Programs created a list of recommendation for weatherization workers, including basic infection-prevention measures, changes in how crews operate, and health screening questions before home visits. https://nascsp.org/wp-content/uploads/2020/04/COVID-Considerations-for-Fieldwork.pdf

vi. Expanding access to comprehensive energy efficiency programs.

Expanding access to comprehensive energy-efficiency upgrades is necessary to reduce the high energy burdens that are borne by many low- to moderate-income South Carolina households—which have only been exacerbated by the current pandemic and associated economic crisis. These upgrades would also improve households' resilience in the face of future economic crises. In North Carolina, the Duke Energy shareholder-funded "Helping Home Fund" supplements the federally funded WAP to provide HVAC and other efficiency upgrades along with critical health and safety repairs. A similar program could be started in South Carolina.

As part of the South Carolina EE Roadmap process mentioned earlier, stakeholders are examining the potential for EE to mitigate the challenges posed by COVID-19. Recommendations under consideration by the SC EE Roadmap stakeholders include the following: [32]

- Round Up Energy Fund: Customers who could afford to do so could choose to round up their bill payments to the nearest dollar; the "spare change" could be used as matching funds for existing, underfunded low-income efficiency programs, or placed into some other financial mechanism to fund energy efficiency programs and initiatives.
- One-Stop: This initiative would provide a single application for low-income residents to apply for services such as Low Income Home Energy Assistance Program (LIHEAP), Weatherization Assistance Program (WAP), and home rehabilitation. In addition to streamlining the application process, this would

[32] The Round Up, One Stop and On-Bill Financing recommendations emerged from, but are still under consideration by, the South Carolina Energy Efficiency Roadmap stakeholder process. The final Roadmap recommendations will be released in October of 2020. http://energy.sc.gov/eeroadmap

allow coordination of home assessments and assistance to minimize home visits and time that customers must take off from work. Information on energy-efficient practices and incentives should also be incorporated into this service.

- Expanded On-Bill Financing Programs: Improve the effectiveness and accessibility of creative EE financing programs—including on-bill tariffs or the use of third-party providers—across multiple sectors.

DEC serves more than 600,000 families, many of whom were already struggling before the pandemic and many more who have recently lost their jobs. The financial stresses caused by the pandemic create a looming crisis for all utility customers that warrants urgent action.

CONCLUSION

In conclusion, SACE, CCL, and the South Carolina State Conference of the NAACP support DEC's request for approval of Rider 12, but request that the Commission require DEC to improve on its low-income program savings in 2021 and direct that DEC further address low-income programs and industrial opt-out through the Collaborative and report back to the Commission with plans on how it will address concerns in those areas. We further request that the Commission consider actions DEC should take with respect to its DSM/EE portfolio in light of the COVID-19 pandemic.

Respectfully submitted this 22nd day of May, 2020.

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